

## AbaF

# Identifying and researching appropriate foundations

Foundations are important sources of philanthropic support for the arts. They receive a large number of grant applications each year and are only able to fund a small percentage of them.

Foundations are motivated to give to arts organisations when they see that their own objectives and goals can be met by the activities of the arts organisation. They too are looking for a good fit.

It is important to research foundations to identify specific areas of interest that are compatible with your own activities.

### **Researching foundations**

When researching consider the foundations':

- mission, objectives and goals
- application process and guidelines
- timelines and funding rounds
- types of organisations or projects previously supported
- location of activity and geographic reach
- grant exclusions
- grant limitations as many foundations can only give to arts organisations that have deductible gift recipient (DGR) and tax concession charity (TCC) status.

### **Resources to assist with research include**

- Philanthropy Australia [www.philanthropy.org.au](http://www.philanthropy.org.au)
- Artsupport Australia [www.australiacouncil.gov.au/philanthropy/artssupport\\_australia](http://www.australiacouncil.gov.au/philanthropy/artssupport_australia)
- attend seminars, annual general meetings, conferences and other functions but be mindful that some foundations do not welcome unsolicited approaches and are not willing to meet with applicants before receiving proposals
- invite foundation staff to your organisation for a meeting, site visit or performance
- read industry magazines and conference papers
- contact arts organisation that has worked closely with a foundation in the past may be able to share valuable insight into its policy, objectives, mission and staff contacts.

### **Types of foundations**

Foundations fall under a range of categories:

**Private Foundations** - have usually been set up by an individual through a bequest, although in some cases, they have been established while the donor is still alive. If set up through a bequest, they are administered by a trustee who distribute grants on an annual basis in accordance with the donor's wishes. Examples include: The Ian Potter Foundation [www.ianpotter.org.au](http://www.ianpotter.org.au) and R.E. Ross Trust [www.rosstrust.org.au](http://www.rosstrust.org.au)

**Family Foundations** - are private foundations that have been established by a family. They are usually run by family members or managed by members of the original donor's family with, in some cases, second or third generation descendants serving as trustees or directors on a voluntary basis. Examples include: The Myer Foundation [www.myerfoundation.org.au](http://www.myerfoundation.org.au) and the Reichstein Foundation [www.reichstein.org.au](http://www.reichstein.org.au)

**Private Ancillary Fund (PAFs)** – previously known as Prescribed Private Funds (PPFs), are a type of fund designed to encourage private philanthropy by businesses, families or individuals who run their own trust funds for philanthropic purposes. The PAF may make distributions only to deductible gift recipients (DGRs) endorsed by the Australian Tax Office or listed by name in the income tax law. Unlike other types of private foundations, PAFs are not required to seek donations from the public.

**Community Foundations** - independent philanthropic organisations working in specific geographical area that build up a collection of endowed funds from donors. These provides services to the community, makes grants and undertakes community leadership and partnership activities to address a wide variety of needs in its service area. A community foundation is usually governed by a board. Examples include: Queensland Community Foundation [www.qcf.org.au](http://www.qcf.org.au) and the Sydney Community Foundation [www.sydneycommunityfoundation.org.au](http://www.sydneycommunityfoundation.org.au)

**Corporate Foundations** - entities separate from the parent company. They usually maintain close ties with the donor company, but are independent organisations with their own endowment. Examples include: Sony Foundation [www.sonyfoundation.org.au](http://www.sonyfoundation.org.au), Shell Foundation [www.shellfoundation.org](http://www.shellfoundation.org) and Macquarie Bank Foundation [www.macquarie.com/foundation](http://www.macquarie.com/foundation)

**Government-initiated Foundations** - gain income from government-directed funds and contributions may come from legislated levies, government grants and community donations. Examples include: Victorian Women's Trust [www.vwt.org.au/](http://www.vwt.org.au/) and the Law Foundation of New South Wales [www.lawfoundation.net.au](http://www.lawfoundation.net.au)

**Trustee Companies** - offer management services of charitable trusts and carry out instructions of the donor in perpetuity. Examples include: Perpetual Trustees [www.perpetual.com.au](http://www.perpetual.com.au), State Trustees [www.statetrustees.com.au](http://www.statetrustees.com.au) and ANZ Trustees [www.anz.com/anztrustees](http://www.anz.com/anztrustees)

**Operating foundations** - use their resources to carry out their own programs. They make grants, but are not exclusively grant makers. Examples include: Bobby Goldsmith Foundation [www.bgf.org.au](http://www.bgf.org.au)

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